

Distance Learning Forum
Sponsored by the State Council of Higher Education for Virginia
June 1st and 2nd, 1998

**Panel 2: Consumer Issues: A New Look at the Familiar Issues of
Access, Quality, and Cost**

Executive Summary

This panel session focused on distance learning issues related to the student as the ultimate consumer of educational services.

Maureen McLaughlin, a Deputy Assistant Secretary at the U.S. Department of Education, gave an overview of how her agency is thinking about distance learning. The Federal Government has a direct effect on the higher education community through its student financial aid programs. At present, those programs solely engaged in distance learning are ineligible for federal financial aid. The version of the Higher Education Act now in force prevents the provision of financial aid to students attending institutions where more than 50 percent of the students are taught through distance learning approaches.

Ms. McLaughlin said that the administration has proposed to make the guidelines for financial aid for distance learning students more flexible. She said that Congress may allow some demonstration programs to test the viability of offering financial aid to students attending institutions whose offerings are primarily through distance learning.

Dr. David Potter, Executive Vice President and Provost of George Mason University, discussed the importance of place in the educational experience. Dr. Potter said that distance learning is revolutionary and will have a strong impact on higher education. He said many smaller institutions will fall by the wayside as the approach grows.

However, Dr. Potter said he is wary of the current "market-orientation" of distance learning, and feels that the approach in and of itself cannot provide the full environment required for learning to occur. Specifically he said he is uncomfortable with the idea of students as "customers," pointing out that students have many dimensions with which an educational institution must deal.

Dr. Karen Spahn, Executive Director of Institutional Research at the University of Phoenix, provided the participants a summary of what the University of Phoenix is all about and how it does business. She assured participants that the UP is not in competition with state higher education systems since it does not want to teach the traditional higher education student, only adult learners. It came as a surprise to most of the Forum's participants to find that the UP has only 10 percent of its students in distance learning; the rest use the traditional classroom approach. The company has been very successful to

date by doing market research and giving the adult learners what they indicate they need in terms of higher education.

Ms. Maureen McLaughlin
Deputy Assistant Secretary for Policy, Planning, and Innovation
U. S. Department of Education

Ms. McLaughlin began by defining the challenge to the federal government concerning distance learning. She said that the federal government desires to embrace and encourage the appropriate uses for distance education while preventing abuse in its application.

The vehicle by which the federal government can affect higher education is through the student financial aid programs it oversees. Almost all such aid falls under the auspices of the Higher Education Act (HEA), which is renewed once every five to six years and is up for renewal at present.

Ms. McLaughlin indicated that the federal government does not look at distance learning as a replacement for traditional education, but rather as an approach that can broaden the opportunities for students in terms of time, place, and instructional methodology. The administration wants to ensure that federal financial aid programs allow flexibility and ensure quality in this new arena, but at the same time prevent abuse of taxpayer resources.

She mentioned a recently released study by the National Center for Education Statistics that showed one-third of all accredited universities are now offering distance learning classes and programs with another one-quarter slated to begin doing so in the near future. The federal government is thus well aware of the increasing importance of distance learning in providing access to education for all citizens.

Ms. McLaughlin said the Clinton administration is proposing changes to the HEA with respect to distance learning. One change concerns the eligibility for financial aid. Under the current HEA, if 50% or more of an institution's students receive their instruction through distance learning means of any type, then no one attending the institution is eligible for federal financial aid. The DOE has proposed to ease that regulation.

Another change would give the Secretary of Education increased authority to waive statutory and regulatory requirements that restrict financial aid for distance learning students (the ability to change the definition of an academic year, for instance).

Ms. McLaughlin feels that the likely outcome of Congressional considerations is a series of demonstration programs, limited to specific institutions, that waive the current restrictions on financial aid for distance learning students. She hopes that the universe of

institutions selected for such demonstration programs will be large enough that valid generalizations can be extracted from the tests.

Another issue that the Department of Education is examining is accreditation. Ms. McLaughlin stated that it is not the federal government's role to assess the quality of education, although it has an abiding interest that the nation's citizens receive quality education. The government requires that educational institutions receive accreditation from legitimate accrediting agencies recognized by the Secretary of Education in order for the institution's students to qualify for financial aid.

It makes sense, according to Ms. McLaughlin, for the federal government to demand the same accreditation requirement for institutions offering distance learning programs. Accordingly, the DOE has asked that the recognized accreditation agencies develop standards in four areas that institutions wishing accreditation in distance learning will need to meet. The administration is not mandating specific standards, just that the accreditation agencies address these primary concerns. These four areas are:

- The selection of students who engage in distance learning programs;
- The monitoring of distance learning students' progress;
- The academic and other services that support distance learning programs;
- Measuring student outcomes.

The House version of the HEA includes this proposal concerning accreditation, while the Senate bill does not. Ms. McLaughlin is hopeful that the final version will come up with proposals that give all parties concerned a great deal of flexibility and are not overly restrictive in nature. The House and Senate are currently considering differing versions of the new HEA, and a final bill is expected soon.

In closing, Ms. McLaughlin stated that the federal government wants to encourage appropriate and sensible uses of distance learning. Such uses will broaden the opportunity for students to receive needed education while ensuring and maintaining required levels of quality and accountability to students and taxpayers.

Dr. David L. Potter
Executive Vice President for Academic Affairs and Provost
George Mason University

Dr. Potter said he considers this period a watershed in the history of higher education. The changes wrought by "revolutionary" communication technologies on higher education are themselves revolutionary. Dr. Potter said he believes many small, independent universities and colleges will disappear during this period.

In order to best handle the changes he sees occurring in higher education Dr. Potter said that the question in front of educators must always be "how do students learn best."

The issues of change then will focus on pedagogy, not technology. They will also bring about more of a focus on place and quality.

Dr. Potter said the emphasis on technology right now, and particularly on distance learning, obscures a far more sinister trend that is occurring: “the middling of higher education.” This trend is assisted in great part by the misunderstandings the emphasis on technology is causing.

Dr. Potter observed that we extol the convenience of distance learning in terms of time, when true learning involves time commitment, sometimes painful time commitment. Similarly, distance learning is praised for its ability to relieve the student from the requirement to be in a specific geographic space. However, learning requires that the student exist in an environment conducive to discussion, consideration, and experimentation. Thus learning needs a place that provides such real interactive experience.

As an example of what he meant, Dr. Potter offered the fact of the Forum itself, noting that participants could have received all the information contained in the Forum through technological means at a distance. However, the need to discuss the issues face to face required that it be given at a specific place at a specific time. This is how it is with learning, he stated.

Dr. Potter expressed a concern with the language that is surrounding distance learning as well. The reduction of the student to “customer” status does not do justice to the rich structure that is implied by the word “learning.” He went on to criticize the use of the term “learner-centered,” observing that it misses the target of higher education, namely the faculty commitment to “learning,” not the learner.

In general, Dr. Potter said he is uneasy with marketing language applied to the new arena of distance learning. It implies, he said, an ease and entertainment value to learning that are at odds with the true nature of the enterprise. He believes that there are at least four other dimensions to students besides their status as a “customer” of the higher education industry. These dimensions are:

- Students are clients. This creates professional responsibilities for faculty in their relationships with them;
- Students are co-learners;
- Students are apprentices, expected to learn first-hand through observation of the masters; and
- Students are reflective practitioners, engaging in an interplay of gathering knowledge, testing it, and reflecting upon it.

When understood in the context of these four dimensions (plus the dimension of the student as customer), the needs for learning are not so easily accomplished by an exclusive reliance upon distance learning.

Dr. Potter said that to make education work, the higher education community must put to work the principles of learning that have been identified through arduous research. Higher education must take what it knows about learning and make it an integral part of every decision made about the learning experiences it designs and offers. Concerning learning, the following is generally accepted as knowledge now:

- 1) Learning is enhanced by taking place in a compelling environment;
- 2) Learning is an active search for meaning; it requires an environment that facilitates a rich interaction with others. Dr. Potter noted the meager nature of e-mail communication as an example of how technology leads people away from such rich interaction;
- 3) Learning involves the whole person, and forces one to tap all dimensions of the self. In the increasingly technological environment of today's higher education setting, the students are disengaged, displaying a "drive-through" mentality that threatens this needed holistic approach;
- 4) Learning is done by individuals who are intrinsically tied to others as human beings; learning is a process that enriches the individual through sharing with the group;
- 5) Learning is affected by the climate in which it takes place. It is a cultural phenomenon, with all the non-verbal communication and other elements that that implies.

Dr. Potter closed by noting that distance learning to the exclusion of other instructional forms does not take into account these characteristics of true learning environments.

**Dr. Karen Spahn
Executive Director for Institutional Research
University of Phoenix**

Beginning with the statement "I'm the Boogey-man, I'm the one stealing all your customers," Dr. Spahn sought to ensure participants that in fact the University of Phoenix (UP) is not engaged in that enterprise. She stated that the purpose of her presentation was to explain what UP is doing, and to share that institution's knowledge about providing quality in distance learning.

One of the first myths Dr. Spahn sought to dispel was that the University only engages in technologically-driven education. In fact, she said, only 10 percent of the UP student population is involved with solely distance learning education. The rest are engaged in on-site, classroom approaches.

Dr. Spahn also indicated that UP has no plans for expansion into Virginia, in spite of a recent arrangement with the state of Maryland to begin offering programs there. She stated that many states want UP to come in and offer programs since it targets adults who are working full-time. The UP's efforts, according to Dr. Spahn, make room in the states' institutions for the more traditional student cohort groups.

The growth of the University of Phoenix has been exponential since 1995. Today there are over 48,000 students enrolled in UP programs, with 20,000 of those in California. Most students have enrolled at UP on the basis of recommendations from family, friends, or employers.

Although not its major enterprise, UP is noting a large scale increase in interest in its on-line programs. UP has presented on-line programs for nearly ten years, so the phenomenon isn't new, just the attention it is getting. Dr. Spahn stated that the use of the on-line approach works, but requires a great effort.

The programs UP offers are driven by adult needs, and are very concentrated. The effort and costs to educate adults in general education programs—where they would have to take courses in which they might not be interested—is too high for UP to bother with them. Identified needs that UP attempts to address are in business, counseling, education, and health care.

One of the secrets to UP's successful growth has been that Dr. Spahn believes in measuring all facets of UP's experience with the market. She stated "if it moves, I measure it; if it doesn't move, I measure it." She says that this approach keeps UP lean, efficient, and effective. "Exposing the warts" is the only way UP will keep students funding the enterprise, according to Dr. Spahn.

Dr. Spahn next provided some characteristics of UP students. One of the more interesting requirements is that a UP student must be a working adult 23 years of age or older. She said that UP campus-based students have an annual average salary of \$55,000, while those on-line have an annual average salary of \$70,000. The on-line students are primarily older adults seeking graduate level certification, and are very task-oriented and motivated for their studies.

UP's on-line courses average 8 students in size, which is why it remains a costly enterprise for the University. In spite of 10 years' worth of experience, UP has not found a way to apply economies of scale to the operation. It only offers on-line programs as a benefit for students who can find no other way to pursue their education.

UP constantly polls its student body on the perceived and actual barriers to accomplishing their education desires. They have found that the gender gap is alive and well, with men constantly citing "time and job" and women finding "finances and family" as the chief obstacles to education.

As for on-line course work, UP drills it into both students and faculty that participants in an on-line course must be strongly task-oriented to stay with the program, and not let interruptions in the home environment sabotage their efforts. For that matter, UP enforces a highly disciplined approach to its educational experience, only allowing one excused absence from on-campus courses, and requiring on-line participants to log-in 5 out of every 7 days. Variance from these guidelines results in the student having to drop the class.

At the end of courses students also fill out surveys where they evaluate faculty and services. Last year 230,000 such surveys were completed, and UP faculty and services were rated highly. Dr. Spahn also noted that UP's statistics evidence a higher graduation and course completion rate for those using the on-line approach than for those using on-campus education. She speculated that this was due to on-line participants having a higher motivation and directed approach than the on-campus students.

Dr. Spahn concluded by emphasizing the importance of support services to any attempt at on-line education. Stating "there must be 24 hour a day, 7 days a week support of every kind," Dr. Spahn indicated that this one factor alone makes distance learning an expensive proposition. "However," she stated, "you must have such support to be successful."